

Message Text

CONFIDENTIAL

PAGE 01 STATE 030338
ORIGIN L-03

INFO OCT-01 EUR-12 IO-13 ISO-00 EB-08 AID-05 CEA-01
CIAE-00 COME-00 EA-10 FRB-03 INR-07 NEA-10
NSAE-00 USIA-06 OPIC-03 SP-02 TRSE-00 LAB-04
SIL-01 AGRE-00 OMB-01 SS-15 STR-07 /112 R

DRAFTED BY L: M B FELDMAN
APPROVED BY L: M. B. FELDMAN
EB/OIA B GRIFFITHS
EUR/CE J HURLEY
-----052418 041441Z /43

R 040703Z PEB 78
FM SECSTATE WASHDC
TO AMEMBASSY BERN
INFO USMISSION USUN NEW YORK
AMEMBASSY PARIS

C O N F I D E N T I A L STATE 030338

USOECD

E.O. 11652: XGDS-3

TAGS: EINV, EGIN, UN, ECOSOC

SUBJECT: ILLICIT PAYMENTS - SWISS POSITION

1. DEPT. LEGAL ADVISER MARK FELDMAN DISCUSSED THE ILLICIT PAYMENTS ISSUE TODAY WITH PHILIPPE LEVY, THE SWISS OFFICIAL WHO APPEARS TO HAVE PRINCIPAL RESPONSIBILITY FOR THIS MATTER. LEVY SAID THAT THE SWISS GOVERNMENT HAS A POSITIVE ATTITUDE TOWARDS THE U.S. PROPOSAL FOR AN INTERNATIONAL AGREEMENT ON ILLICIT PAYMENTS AND WOULD PARTICIPATE ACTIVELY IN THE ECOSOC WORKING GROUP ON CORRUPT PRACTICES. HE ALSO SUGGESTED THAT THE U.S. ENCOURAGE AN AD HOC CONSULTATION OF OECD COUNTRIES IN PARIS IN LATE MARCH BETWEEN TWO
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 STATE 030338

SCHEDULED MEETINGS OF THE ECOSOC WORKING GROUP. LEVY EXPLAINED THAT THE ABSTENTION THE SWISS GROUP ON THE INTERNATIONAL CHAMBER OF COMMERCE CODE OF ETHICS RELATED TO SWISS OBJECTIONS TO THE PROPOSED ICC PANEL AND ITS CONCERNS ABOUT THE ICC SECRETARIAT. THE SWISS GOVERNMENT FULLY SUPPORTS PART I OF THE ICC REPORT INCLUDING RECOMMENDATIONS

TO GOVERNMENTS FOR AN INTER-GOVERNMENTAL AGREEMENT.

2. FELDMAN EMPHASIZED THE U.S. INTEREST IN SEEKING A CONSENSUS AMONG OECD COUNTRIES ON THE SUBSTANCE OF AN AGREEMENT. HE NOTED THAT THE U.S. IS PREPARED TO SHOW FLEXIBILITY AND TO MAKE FURTHER CONCESSIONS IN ORDER TO

OBTAIN SUCH A CONSENSUS, BUT THAT WE ARE SEEKING A MEANINGFUL AGREEMENT. LEVY INDICATED THAT SWITZERLAND COULD NOT SUPPORT PUBLIC DISCLOSURE OF AGENTS' FEES, BUT COULD AGREE TO EXCHANGE OF INFORMATION AND JUDICIAL ASSISTANCE IN CRIMINAL INVESTIGATIONS. IT ALSO HAS LESS DIFFICULTY THAN OTHER COUNTRIES WITH CRIMINALIZATION OF BRIBERY OF FOREIGN OFFICIALS AS SWITZERLAND ALREADY ASSERTS SUCH JURISDICTION IN CERTAIN CIRCUMSTANCES.

3. FELDMAN ASKED LEVY'S VIEWS ON THE SPECIFIC RECOMMENDATION OF THE ICC CONCERNING RECORD-KEEPING OF AGENTS' FEES WITH ACCESS TO GOVERNMENTS UPON REQUEST. THE U.S. CONSIDERS THIS RECOMMENDATION COULD BE INCORPORATED IN A TREATY PROVIDING FOR EXCHANGE OF SUCH INFORMATION WITH APPROPRIATE SAFEGUARDS AMONG STATES PARTY TO THE TREATY WHO MAY BELIEVE THEIR NATIONALS ARE THE VICTIMS OF UNFAIR COMPETITION BY QUESTIONABLE PAYMENTS. THE DISCUSSION ALSO TOUCHED IN A DELICATE WAY ON THE PROBLEMS OF THE USE OF BANK ACCOUNTS AND DUMMY CORPORATIONS IN THIRD COUNTRIES TO FACILITATE BRIBERY. LEVY'S REACTIONS WERE NON-COMMITTAL
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 STATE 030338

BUT OPEN-MINDED. HE INVITED THE U.S. TO PROVIDE AN INFORMAL PAPER FOR REVIEW BY THE INTERESTED SWISS BUREAUCRACY WE AGREED TO PROVIDE SUCH A PAPER THROUGH THE SWISS EMBASSY HERE AND WILL ADVISE YOU WHEN WE DO SO. VANCE

CONFIDENTIAL

NNN

*** Current Handling Restrictions *** n/a

*** Current Classification *** CONFIDENTIAL

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: BRIBERY, CORRUPTION, DIPLOMATIC DISCUSSIONS, MEETING REPORTS, POLICIES
Control Number: n/a
Copy: SINGLE
Draft Date: 04 feb 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978STATE030338
Document Source: CORE
Document Unique ID: 00
Drafter: M B FELDMAN
Enclosure: n/a
Executive Order: X3
Errors: n/a
Expiration:
Film Number: D780053-1141
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t197802116/aaaftgl.tel
Line Count: 103
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON MICROFILM, TEXT ON-LINE
Message ID: 8dcd21cf-c288-dd11-92da-001cc4696bcc
Office: ORIGIN L
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 03 jun 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3466336
Secure: OPEN
Status: <DBA CORRECTED> gwr 970903
Subject: ILLICIT PAYMENTS - SWISS POSITION
TAGS: EGEN, EINV, SZ, UN, ECOSOC, EGEN, (FELDMAN, MARK), (LEVY, PHILIPPE)
To: BERN USOECD
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/8dcd21cf-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014